

STATE HOUSING DEVELOPMENT AUTHORITY ACT OF 1966 (EXCERPT)
Act 346 of 1966

125.1432b Mortgage credit certificate program; authority designated as administrator; guidelines; qualifying for receipt of mortgage credit certificate; adaptation of property for use by disabled individuals; applicability of internal revenue code; exception; retroactive effect of changes in subsections (3) and (4).

Sec. 32b. (1) The authority is designated as the administrator of the mortgage credit certificate program for this state permitted under section 25 of the internal revenue code, 26 USC 25.

(2) The authority shall prepare guidelines that would allow for the implementation of a mortgage credit certificate program through mortgage lenders.

(3) To qualify for receipt of a mortgage credit certificate with respect to the acquisition of a new or existing housing unit, including a residential condominium or mobile home, both of the following apply:

(a) The purchase price with respect to the new or existing unit shall not exceed 3 times the income limit, as established pursuant to subdivision (b), subsection (5)(a), or subsection (5)(b).

(b) The borrower's family income does not exceed the following:

(i) For eligible distressed areas, \$69,800.00 until June 1, 2006, \$72,250.00 until November 1, 2007, and \$74,750.00 on and after November 1, 2007.

(ii) For any other area, \$60,700.00 until June 1, 2006, \$62,800.00 until November 1, 2007, and \$65,000.00 on and after November 1, 2007.

(4) The authority may increase the purchase price limit in subsection (3) to cover the cost of improvements to adapt the property for use by disabled individuals or unexpected cost increases during construction. The amount of the increase shall be the amount of the costs described in this subsection or the sum of \$3,500.00, whichever is less.

(5) To qualify for receipt of a mortgage credit certificate with respect to the improvement or rehabilitation of an existing housing unit, including a residential condominium or mobile home, the borrower's family income shall not exceed the following:

(a) For eligible distressed areas, \$69,800.00 until June 1, 2006, \$72,250.00 until November 1, 2007, and \$74,750.00 on and after November 1, 2007.

(b) For any other area, \$60,700.00 until June 1, 2006, \$62,800.00 until November 1, 2007, and \$65,000.00 on and after November 1, 2007.

(6) If an income or purchase price limit prescribed by subsection (3), (4), or (5) exceeds an applicable limit prescribed by the internal revenue code, 26 USC 1 to 9833, the internal revenue code limit applies. Except with respect to newly constructed housing units, the authority may at any time by resolution establish, for a length of time it considers appropriate, maximum borrower income or purchase price limits more restrictive than those maximum limitations set forth in this section. The authority shall advise the appropriate house and senate standing committees 5 days prior to the adoption of a resolution establishing more restrictive income or purchase price limits.

(7) The changes made by 1995 PA 186 to purchase price limits in the subsections that at the time were designated subsections (3) and (4) were retroactive, effective as of October 29, 1993.

History: Add. 1984, Act 215, Imd. Eff. July 10, 1984;—Am. 1985, Act 183, Imd. Eff. Dec. 18, 1985;—Am. 1987, Act 179, Imd. Eff. Nov. 25, 1987;—Am. 1989, Act 220, Imd. Eff. Dec. 11, 1989;—Am. 1991, Act 137, Imd. Eff. Nov. 22, 1991;—Am. 1993, Act 221, Imd. Eff. Oct. 29, 1993;—Am. 1995, Act 186, Imd. Eff. Oct. 23, 1995;—Am. 1996, Act 475, Imd. Eff. Dec. 26, 1996;—Am. 1998, Act 33, Imd. Eff. Mar. 18, 1998;—Am. 2000, Act 257, Imd. Eff. June 29, 2000;—Am. 2004, Act 549, Imd. Eff. Jan. 3, 2005.